

<u>Testimony of UW-Madison Professor Brad Barham to the Special Task Force on UW</u> <u>Restructuring and Operational Flexibilities</u> May 9, 2012

Good morning. I am Brad Barham, professor in the department of Agricultural and Applied Economics in the College of Agricultural and Life Sciences. I have a 3-way appointment of research, instruction, and extension. I teach on global economics, with a specialty in Latin America. I work on agricultural technology and family farm issues here in WI. I have learned through surveys and public forums from thousands of farm families in WI and abroad. My experiences at UW-Madison have taken me from Bolivia to Barron, WI, from Vietnam teaching international trade to Kewaskum, WI where I spoke a month ago to high school students about immigration issues.

Please listen to me and my colleagues today when we say that we work hard to embody the WI Idea. This great idea was first enunciated in 1904 by UW President Van Hise when he declared he would "never be content until the beneficent influence of the university reaches every family in the state," which these days also includes the rest of the world. From the development of enriching food with Vitamin D to the creation of workers compensation to today's work in stem cells and Alzheimer's research, UW faculty, staff, and students, all around the state, have long striven to fulfill Van Hise's dream. I trust that idea unites all of us here today. My hope is that it can take us to the high ground of collaboration in the challenges that face us and this Task Force in its efforts.

I am going to take 4 risks in my 8 remaining minutes. As the outgoing chair of the University Committee at UW-Madison, I have helped for the past three years to set the course of policy and direction of change at this great institution in close collaboration with the Chancellor and his administration this year (hi, Darrell), or last year sometimes in less than full collaboration with the Chancellor. It has been a remarkable experience. I could talk for hours about the many lessons from these shared governance activities. Many would concern how healthy institutions survive overblown egos.

The first of four risks I will take is a mild one. I now believe more deeply in the basic goodness of democracy and its expression in shared governance at UW than I ever did before. That should be an apple pie statement, but I don't think it is today given how polarized many public decision processes are. But, I trust that people, if offered fair ground rules for shared decisions, will find productive paths to a better way, especially if they can put their egos and personal agendas to the side and focus on what is best for the broader welfare of the institutions that shape the lives of all of us.

The second risk I will take is a bolder one. It is becoming very hard for the faculty, staff, and students to carry on the Wisconsin Idea. I could point to the 'death by a thousand cuts' we have experienced with declining state support and the not quite commensurate increases in tuition. Students have been hit hard, with many left deeper in debt, while working longer hours with less time to engage learning. The painfor faculty and staff at our campuses is not big layoffs, but instead in faculty and staff absorbing inflation-adjusted declines in earnings of over 20% in the past 5-6 years. I recognize that others, especially those in the lower 80% of the income distribution in Wisconsin, have also suffered losses in recent years, but be clear that the declines are real and deep at UW-Madison and around the system. People are losing hope.

But, \$ is only half of the story. The other half is the decline in morale associated with having people, label us as the 'bad guys' who want to raise tuition, or even as the ones 'singing radical songs at the Capital' during work days, when the vast majority of those we represent bleed Badger Red from all over the state to do their jobs or studies well and work very long hours to accomplish their duties. As you know, Wisconsin people are hard-working and decent. That is true in the private and public sectors, and if politics divide us in this competitive global economy, then fact of the matter is that we will all be much worse off in a world than if we can figure out how to work together.

The third risk is to simply remind you of what we all know already if we are honest about the past

and the future of Wisconsin. The historic formula for successful educational outcomes in Wisconsin has long rested on a robust social compact of support from public and private institutions and the citizens. That compact has dissolved in recent years (we all know that, too), and there is simply no way that we can continue to be a great state without that compact being solid. The UW-Madison Faculty Senate recognized that basic truth with a public call this year, in which we made clear that if we want affordable, accessible and high quality education and research, then we need both public and private support, and in the area of education the state government must set the tone. That is essential to the compact working.

Otherwise, something has to give, either tuition will have to rise (perhaps differentially), or the quality of the services we deliver will decline. And, the costs of that decline will be huge. Wisconsin could be on its way to being more like Missouri or Mississippi. The competitiveness of all of our historic and emerging sectors of the economy (from dairy to bio-medical, from machine tools to information systems) depend on advances in technology, productivity, innovation, and entrepreneurship. Those advances depend in turn on research, development, and training that only a strong UW-Madison and strong UW-system can sustain. If the state legislature is not part of that compact, then something has to give, and it will be our economic vitality. We are at a historic moment in that regard. This needs to be the main message offered by this Task Force if it wants to contribute positively to higher education outcomes in WI. Rebuild the compact in creative ways.

This brings me to my final risky statement. Flexibilities are necessary to our future, because they can help to reduce the burden on the state and/or students and their families to hold up more of the social compact, and they can produce real gains. But, hear me clearly. Flexibilities are a complement to state support. They are not a substitute if you want greatness from us and the state. They go hand-in-glove. Expect great things from us. Give us the space to pursue solutions locally, and hold us accountable. But, don't ask us to innovate and then take the gains away with another budget cut. That's like a 100% income tax on workers, or a 100% capital gains tax on owners. It will rob us of our incentives to work in the future. Game over, no replays.

Let me close with a quick report on what are we doing at UW-Madison these days. We are putting the flexibilities, limited as they are actually, to work. We are reviewing our whole administrative system. I know more about that than almost anyone besides Darrell and his top staff. I have chaired the campus-wide Advisory Committee on Administrative Excellence for 15 months now and will do so for 4 more months before passing the baton. That effort will generate at least 10-20 million dollars in savings on an annual basis before it's done. We are pursuing educational innovations to improve efficiency, quality, and to raise new sources of revenue from our instructional and outreach offerings. That could be more profitable than the administrative side, but it is also taking lots of innovation and careful discussion to make sure it serves all of our missions well. As you also know, we are in the midst of redesigning our HR system in collaboration with the UW System. That, in and of itself, is a huge undertaking.

Taken together, literally, 1000s of UW-Madison faculty, staff, and students are involved in these efforts to do right by the citizens of WI and innovate in this historic moment. I encourage you to recognize and honor that effort like you would a fire-fighter or others who serve our communities. Most of us are doing it on top of our regular duties and not getting one penny more for our efforts except the hope that somehow it will help to improve the prospects for delivering on the WI Idea and enhance the vitality of the institution we bleed for.

My simple advice to you is to take some risks. Believe in shared governance, honor the WI Idea, renew the social compact of higher education, and increase flexibilities afforded to universities and the people who work and study there to do their jobs. Do all four, and we are on our way to a better era, working together to serve the citizens of this moderate sized, moderately wealthy, but amazing state in the America's Heartland. Ignore these suggestions, and we will have missed this historic opportunity, again no replays. Thank you for your time.